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## FISCAL IMPACT REPORT

SPONSOR: Madalena DATE TYPED: 2/25/03 HB 887

SHORT TITLE: Promote Indian Tourism SB \_\_\_\_\_

ANALYST: Collard

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$300.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB 942 and SB 834

### SOURCES OF INFORMATION

Responses Received From  
Tourism Department

### SUMMARY

#### Synopsis of Bill

House Bill 887 appropriates \$300,000 from the general fund to the Tourism Department for the purpose of promoting Indian tourism and tourist-related industries.

### FISCAL IMPLICATIONS

The appropriation of \$300.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY04 shall revert to the general fund. The department indicates this represents a significant increase to the program's existing funding level of approximately \$100.0 per year.

### OTHER SUBSTANTIVE ISSUES

The department notes Indian tourism is a major component of the tourism industry in New Mexico. The department's 2002 General Print Conversion Study indicates scenic beauty, historic sites and Indian culture are the top three reasons for visiting New Mexico. New tribal

destination resorts are also major draws for the Mexican market and other domestic and international visitors.

Additionally, since its establishment, the Indian tourism program's primary function has been outreach. This bill will enable the Indian tourism program to engage in promotion, marketing and advertising, greatly expanding its scope and effectiveness. Tribal governments and non-profits are currently eligible for cooperative advertising funding through the New Mexico Tourism Department; however, these entities only receive a small percentage of cooperative advertising funds and are often deterred by the matching requirement. This appropriation would provide tribal governments and non-profits with direct access to marketing funds.

**KBC/njw**